Secrt. II-27—80,000—4-1-52.

Food Civil Supplies (1952) Department.

M. S. SERIES.

G.O. Ms NO. 2016

2016

Dated 30/12/52

Parasa

Ans

Subject

[Despatch Abstract.]

Civil Supplies – Overseas Rice – South Kanara District – Issues to South Kanara Central Cooperative Wholesale Stores – Loss incurred – Recoupment – Ordered

BOARD OF REVENUE (CIVIL SUPPLIES)

Abstract.

SUB: Civil Supplies -- Overseas rice -- South Kanara District -- Issues to South Kanara Central Co-operative Wholesales Stores -- Loss incurred -- Recoupment -- Orders requested.

Board's CFF: No. 174819/52-1 Accounts LVII-I Dated 28-11-1952.

:ooo:

17795 A/52
28/11/52

From

Sri M.V. Subramanian, I.C.S.,
Commissioner of Civil Supplies,
Chepauk, MADRAS.

Janab K. Ghulam Mahmood, I.A.S.,
Secretary to the Commissioner
of Civil Supplies,
Chepauk, Madras.

:ooo:

During January, 1951 overseas rice was issued to the South Kanara Central Co-operative Wholesale Stores, Mangalore ~~Ex~~ S.S. Nurjahan, Nadir, Bachomaru and Padma and cost was recovered by the Collector of South Kanara for the under mentioned quantities at the appropriate rates applicable to each variety.

	Whole rice maunds	Brokens maunds
1. S.S. Nurjahan	4042-34	2014-18
2. " Nadir and Bachomaru	11077-02	6054-10
3. " Padma	27198-38	-

At the time of actual sale, the stores found that the stocks of brokens delivered to them ~~Ex~~ S.S. Nurjahan contained 78-36 maunds of whole rice and that the stocks of whole rice delivered from the other ships included 1202 maunds of brokens. They sold the stocks as they found it in each case and as a result realised Rs.1184-5-3 in excess in the case of S.S. Nurjahan and ~~Lost Rs.~~ Rs 391-8-0 (the difference between the Government's issue rates for whole rice and brokens) When the Collector came to know of this, he recovered the excess profit of Rs.1184-5-3 made by the stores. Later the stores claimed reimbursement of the amount lost by them in the other cases and the Collector recommended the same. The Board rejected the claim for the reasons that if the stores found brokens mixed up with whole rice they should have brought the fact to the notice of the Collector for orders before selling it as brokens and that the failure of the society to do so has deprived the Government of the opportunity to take up the matter with the Government of India to claim the difference in value from them.

The stores have again submitted a representation for the reimbursement of the loss of Rs.391-8-0 sustained by it and the Collector has recommended the claim stating that the stores had committed only a technical irregularity by its omission to bring to its notice, then and there, of the fact of the mix-up of brokens in whole rice consignments and that as such mix-ups are not un-

uncommon the case may be viewed leniently in consideration of the fact that the excess amount collected by the stores in the case S.S. Nurjahan has been recovered by Government.

The Board after re-examining the case considers that the sum of Rs.291-8-0 representing the difference of value between whole and Broken rice may be refunded to them especially when in the case of S.S. Nurjahan consignment, Government have realised from the stores an excess amount of Rs.1,184-5-3 and also as the Government have fully realised the amount due to them in the other two consignments. The refund to South Kanara Central Co-operative Wholesales Stores will be made from out of the above excess collection of Rs.1184-5-3. The Board requests orders of Government for making this refund.

for Secretary.

26/11

To
The Secretary to the Government of Madras,
Food and Agriculture Department.

Copy of the Letter from the [illegible], Collector of South Kanara, Mangalore, to the Secretary to the Commissioner of Civil Supplies, Madras.

SUB: CIVIL SUPPLIES -- Rice Overseas -- Issue by S.K.C.C.W. Stores -- Loss incurred -- Reimbursement -- Request submitted.

REF: 1. Board's ROC: No. 78219-LVII-1/52 dated 18-9-1952.
2. P.C. 71/52-P dated 18-10-52 from the President, S.K.C.C.W Stores Limited, Mangalore.

Case

T.I.S & P.S to see

*** 77795 C1

ASSISTANT SECRETARY
28 NOV 1952
FOOD AND AGRICULTURE DEPARTMENT

The Board, in its reference cited, has [illegible] the following claims of the S.K.C.C. W. Stores Limited, Mangalore:--

1. Claim for re-imbursement of(a) loss of Rs.382-2-7 sustained by the stores by selling 12½ maunds of whole rice at the rate applicable to brokens in the imported quotas ex.S.S. Nadir and S.S. Enchomaru received in 1951; and

2. Claim for re-imbursement of Rs.10-13-1 being the loss incurred by selling 5½ maunds of whole rice in the quota received from Ex.S.S. Realm at the rates applicable to brokens.

The President, S.K.C.C.W.Stores Limited, Mangalore, now requests that the orders passed by the Board in its reference cited may be reconsidered. A copy of the President's letter No.P.C.71/52 dated 18-10-52 is enclosed.

In this connection I have to state that the contention of the President S.K.C.C. W.Stores, that the invoice particulars were not furnished to the stores at the time of delivery of the stocks is not correct. The particulars of gross weight and net weight are favorably noted in the delivery invoice form No.9 and these are acknowledged by the representative of the stores in the said form at the time the delivery of the stocks mentioned in the form is taken. If, therefore, brokens had been mentioned in the forwarding letters received from the Dy. Tahsildar, at the supplying centre along with the Railway receipts, the fact would have been noted in the concerned delivery invoice. Hence, the stores cannot justly and reasonably presume that brokens were received in any consignment unless the relative delivery invoice in Form No. 9 showed that brokens were delivered. Further, the release price of each quota is fixed by the Collector and it is obligatory on the part of the Stores to sell the stocks received at the price so fixed for the respective quota. The President states that he adopted the price fixed in Collector's ROC: P2 21557/51 dated 24-8-1951 as the price for selling 5½ maunds of rice at the rate applicable to brokens as actually 5½ maunds of broken rice was found in the stocks. The price fixed in this office ROC: P2 21557/51 dated 24-8-1951(copy enclosed) and relied on by the President, was done in consequence of the revision of the prices in general in pursuance of Board's ROC: "I/125071/51-2C8 dated 1-8-1951 and it was applicable to all the quotas. It follows, therefore, that the rate for brokens fixed in this office ROC: P2.21557/51 dated 24-8-1951 could be adopted by the Stores only in modification of a previously fixed rate for brokens in respect of any particular quota received prior to the date of order revising the prices. The 5½ maunds of rice referred to above relates to Ex.S.S. Realm and the price of this rice was fixed in this office ROC: P2 20800/51 dated 20-8-51 and it does not apply to broken rice. It applies only to whole rice. The stores has, therefore, committed a technical irregularity by its failure to release the stock at the rate fixed by it (Collector) and by omitting to bring to my notice, then and there, the fact that broken rice was actually received in the consignments.

However, this case may be leniently viewed as it is the very

(P.T.O.)

favourably consideration in view of the fact that in another allotment, viz. Ex.S.S. Nemmehan in which the stores sold 73 maunds 36 seers of broken rice at the rate applicable to whole rice, the differential sale proceeds amounting to Rs.1282-0-10½ was appropriated to Government. The contention of the stores in that case was that, actually whole rice was received and it was sold at the appropriate rate for whole rice. Taking the above two instances into due consideration it is reasonable to hold that the chances of brokens being mixed up with whole rice cannot be held to be impossible, or even remote, but such irregularities occur often in the ordinary course of business despite due care at the despatching point. Further, in the above mentioned case the Government have exclusively appropriated the differential amount realised by the stores by the sale of brokens at the price obtaining for whole grains. Hence, it seems fair to compensate the stores for the loss incurred by it by selling whole rice at the price of brokens at least, as a special case. Furthermore, the entire stocks are not tested at the time of their delivery to the stores. If a few bags of brokens are mixed up with whole rice bags by some mistake at the despatching station and this is not quite unlikely as can be seen from Board's REF. No. UI(1) 274176/51CS dated 12-1-52, such mistake can come to light only at the time of actual sale of the stocks to the retailers.

2. In the circumstances detailed above, I request that the fact that the stores did not report the receipt of brokens as soon as they were detected, may be treated as being only a technical omission, and that the Board may be pleased to reconsider the orders already passed in its reference cited and obtain the sanction of Government for the re-imbursement of the loss of Rs.282-2-7 and Rs.16-13-1 sclimed by the S.K.C.C.W.Stores.

(True copy)

Vs. 25/11

382-2-7
16-13-1
398.15-8

Copy of letter No.T.371/58-T dated 19-10-58 from the President S.K.C.C."Stores, Limited, Mangalore to the Collector of South Kanara.

SUB: Civil Supplies-- Rice -- Imports in 1951 -- Losses -- Recoupment of

REF: Your RTT: No. 5800/58 dated 22-9-1958 communicating copy of Board's RTT: 78819-1/58 dated 12-9-1958.

Not read

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With reference to para one of Board's RTT cited, I submit that the Collector is kindly aware that this stores is not given particulars of invoices at the time of receipt of the stocks in respect of rations received on Government account. The invoice particulars are intimated separately later at the stage of final accounts. Reception officials will be present at the time of unloading the wagon and they are informed of the variation of stocks received then and there. As such, the necessity for intimating the arrivals before issue did not arise and stocks were released for sale without obtaining prior orders. The particulars of sales were submitted on furnishing the final accounts in respect of each consignment.

I invite Collector's kind notice to his RTT: No.17881.57 dated 20-1-1958 para 3 wherein a sum of Rs.1282-0-10 was recovered from this stores being differential sale proceeds on 78-25 maunds rice. In this instance though the invoice showed that 78-25 maunds of Mysore were sent as received actually wheles.

As the present case also is a similar transaction, I request that the Board may kindly be requested to reconsider the matter and order recoupment of the sum of Rs.382-8-7 and Rs.10-12-7 to this Stores.

(True copy)

Vs. 25/11

(PTO)

26/11

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Copy of Proceedings of the Collector of South Kanara, Mangalore, No: P2. 21557-51 dated 24-8-1952.

SUB: Rice and Paddy -- Imported stock -- Release prices -- Revised.

REF: This Office PPP: P2 21557-51 dated 8-8-51.

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Consequent on the receipt of instructions from the Audit Authorities that stencilling charges should be recovered at 0-0-2 per maund, the wholesale issue price of fine rice fixed in this office proceedings cited above is revised and fixed at Rs.18-0-2 per maund with effect from 10-8-51 as shown below:--

	Per maund
1. F.O.B Tadepalligudem	Rs. 12-10- 0
2. Cost of gunny	0 10- 0
3. Stencilling charges	0- 0- 2
4. Administrative surcharge	0- 5- 0
5. Subsidy surcharge	2- 4- 0
6. Railway freight	1- 6-0
7. Sales tax	0- 1- 2
	17- 5- 0
Add wholesaler's profit	0- 4- 0
Conveyance and godown rent	0- 2- 3
Standardisation charges	0- 0- 6
Sales tax	0- 4- 5
Whole sale issue price	18- 0- 2

2. The price fixed in para 1 above applies to Mangalore. Stocks moved to refusal centres will bear the actual transport and incidental charges as extra charges as usual.

3. The wholesale issue price of brokens is revised and fixed at Rs.14-15-3 per maund with effect from 12-8-51 as shown below:--

	Per maund
Release price per maund at 80% of I-st sort price.	Rs. 14- 4-10
Profit	0- 4- 0
Conveyance and godown rent	0- 2- 3
Standardisation charges	0- 0- 6
Sales tax	0- 3- 8
Wholesale issue price	14-15- 3

4. As the above prices apply also to the stocks already released from 10-8-51 the differential price in respect of such stocks may be recovered by the President, S.K.C.C.W.Stores, from the retailers by enhancing the wholesale issue price of future releases by 0-0-1 (one pie) per maund till the short collection is entirely recouped.

(True copy)

Vs. 25/11.

Food & Agri.Dept.(A).

Sub:- C.S. - Overseas rice - South Kanara Dt. - Issues to South Kanara Central Co-op. Wholesale Stores--Loss incurred-- Recoupment - Ordered.

Read:- From the Bd. of Rev.(C.S)Ref.No.174819/52-1 Accts.LVII-I dated 22-11-1952.

...

G.O.Ms.No. 2016 F&A dated: 30-12-52

In the circumstances explained by the Bd. of Rev.(C.S.) in its ref. cited, the Govt. accept its recommendation for the refund of a sum of Rs.391--8--0 (Rupees Three hundred and ninetyone and annas eight only) to the South Kanara Central Co-op.Wholesale Stores, representing the difference in value between the whole and broken rice delivered to it ex S.S. Nunjanad from out of the excess collection of Rs.1184--5--3 realised by the Govt. from the Stores.

To

The Bd.of Rev.(C.S.)

The Bd.of Rev.(C.S.Accts.Branch)

The Collr. of South Kanara.

The A.G.Madras, thro' Fin.Dept. with a copy of Bd's ref. at pp.1-2 c.f.

Copy to S.F.

S.C.2

Note:-

The Board's ref. in the c.f. and the enclosures thereto at pp.3-6 c.f. may be perused.

The draft order above is based on the Board's recommendation at p.2 c.f.

Finance may see for acceptance before issue:

Fin (Exp. & S)

The draft order overleaf may be emptied.

A

17.12.52

17.12.52

21/12/52

A-D.S. / F&A

23/12/52

18/12/52

ASSISTANT SECRETARY
26 DEC 1952
FOOD AND AGRICULTURE

1192620-1

24.12.52

Food & Agri (A) Dept

D.A.S.

[Notes of Fin. above]

The draft order overleaf which has been accepted by Fin. may now issue

26/12/52

26.12.52

29/12/52